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EU Rice Weekly, Brussels August 2 2005

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Report Highlights:

This weekly report contains data on rice prices in the U.S. and the EU. It also lists current import duties in the EU. All information will be published as such in the USDA publication "Rice Market News".

Please note that the EU has finally adopted and published its new brown rice tariff system, based on the US-EU rice agreement of February 2005. Tariffs can be altered every six months and will be either EUR 65, EUR 42.5 or EUR 30.

The current EU import tariff of brown rice is changed to EUR 42.5, backdated to March 1 2005.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Brussels USEU [BE2]
[E3]

Weekly rice report - Brussels, August 2, 2005

LOWEST OFFERING PRICES Basis C&F ARAG (unless otherwise stated)

Whole Long-Grain – old crop prices for immediate delivery

| | US\$/MT | US\$/100 LBS |
|----------------------|---------|--------------|
| UNITED STATES | Bulk | Bulk |
| 2 Milled 4 pct * | 295.42 | 13.40 |
| 2 Brown 4/73 pct | 297.62 | 13.50 |
| Medium Milled 2/4 * | 308.65 | 14.00 |
| 1 Brown parb 4/88 ** | 308.65 | 14.00 |

* F.A.S. basis

** While nominal price quotes are for 1 BROWN PARB 4/88, these quotes in reality refer to rice that meets all U.S. No.1 requirements except for one or two categories. Current and historical trade practice is for rice shipped to the EU to be graded only as No.2 and to be further processed upon arrival.

| | EUR/MT | US\$/MT | US\$/100 LBS |
|--|--------|---------|--------------|
| EUROPEAN UNION | | | |
| Spain, Indica, Paddy | 178 | 217 | 9.84 |
| Spain, Indica, Milled | 410 | 501 | 22.70 |
| Italy, Thaibonnet, paddy | 190 | 232 | 10.52 |
| Italy, Thaibonnet, milled | 385 | 470 | 21.32 |
| Italian Indica, 5%, milled | 320 | 391 | 17.72 |
| Italian Indica, 5% milled, sortex, parboiled | 400 | 488 | 22.15 |

Prices on local markets (Italy). Italian Indica prices: basis - bulk, free on truck. Spanish indica price, delivered northern Europe.

Thai prices are available from FAS/Bangkok's weekly rice report via
<http://www.fas.usda.gov/scripts/attacherep/default.asp>

IMPORT LEVIES, from 7/1/2005 to 8/31/2005

| | EUR/MT | EUR/MT | US\$/MT | US\$/MT |
|-----------------------|--------|--------|---------|---------|
| | | ACP | General | ACP |
| 1006 20, Brown/Husked | 42.5 | 14.17 | 51.89 | 17.30 |
| 1006 30, Milled/White | 175 | 58.33 | 213.65 | 71.22 |
| 1006 40, Broken | 128 | 41.18 | 156.27 | 50.27 |

On July 1, 2005, the EU published its new tariff for brown rice imports. The tariff is lowered to EUR 42.50 through to August 2005. The change is backdated to March 1 2005. Importers who paid the EUR 65/MT tariff since March 1 2005 can claim a rebate.

| | |
|----------------|-------|
| EURO/US\$ rate | 1.221 |
|----------------|-------|

Source: FT, 2 August 2005

EU Import License Data

EU Rice Import license data is available from CIRCA, part of website of the European Commission:

<http://forum.europa.eu.int/Public/irc/agri/igriz/library?l=/publicdomain/rice&vm=detailed&sb=Title>

Then click on 'Import of Husked rice to the EU' for license data.

The next review of the EU brown rice import tariff will take place in early September 2005. The tariff will be set for the period September 1 2005 to February 2006. The tariff will be based on import license volumes from September 1 2004 to August 31 2005. If the import license volume of brown rice (excluding basmati brown rice) is less than 372,026 MT then the tariff will be EUR 30/MT. If the volume is between EUR 372,026 and 503,330 MT then the tariff will be EUR 42.50/MT. If the volume exceeds 503,330 MT, then the tariff will be EUR 65. Full details of the US-EU Rice Agreement and an explanation of how the new system works can be found in GAIN Report [E35132](#)¹

From September 1 2004 to July 26 2005, total EU import licenses for brown rice that is not basmati totaled **366,349 MT**. (Note the table below gives data to 26 July but basmati data to only 5 July).

Period: Sept 1 to July 26

| | | Marketing Year, Year to Date | |
|--|--------------------|------------------------------|-----------|
| MT | | 2004-05 | 2003-04 |
| Paddy | Japonica | 712 | 653 |
| | Indica | 489 | 375 |
| Brown | Japonica | 7,188 | 3,856 |
| | Indica | 610,334 | 540,919 |
| | Of which - basmati | 234,919.0 | 286,216.0 |
| Semi-milled | Japonica | 2,067 | 1,131 |
| | Indica | 8,748 | 17,162 |
| Milled | Japonica | 28,953 | 16,420 |
| | Indica | 128,882 | 93,886 |
| Total, in milled rice equivalents | Japonica | 36,308 | 20,574 |
| | Indica | 558,443 | 483,336 |
| | Total | 594,751 | 503,910 |
| | Brokens | 109,201 | 132,007 |

Source: European Commission.
<http://forum.europa.eu.int/Public/irc/agri/igriz/library?l=/publicdomain/rice&vm=detailed&sb=Title>

Note: Import licenses, once requested are valid for the month in which they were requested plus a further two months. For example, a license granted on the 10th November would be valid until the end of January.

Note: 2003-04 year to date above is only for the EU-15.

¹ <http://www.fas.usda.gov/gainfiles/200507/146130161.pdf>